

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA**

IN THE MATTER OF THE APPLICATION OF)	ORDER APPROVING 3-FOR-
BLACK HILLS CORPORATION FOR)	2 COMMON STOCK SPLIT
AUTHORITY TO ISSUE A 3-FOR-2 STOCK)	IN THE FORM OF A 1-FOR-2
SPLIT IN THE FORM OF A 1-FOR-2 STOCK)	STOCK DIVIDEND
DIVIDEND)	EL98-001

On January 30, 1998, the Public Utilities Commission (Commission) received an application from Black Hills Corporation (BHC), which operates its electric utility under the assumed name of Black Hills Power and Light Company, requesting approval of a 3-for-2 split of the Common Stock of BHC to be effected in the form of a stock dividend and that the Commission's Order also extend to the number of common shares previously approved for issuance and remaining to be issued pursuant to BHC's Dividend Reinvestment Plan, Employees' Stock Purchase Plan and 1996 Stock Option Plan. The shares of additional Common Stock proposed to be issued to implement the 3-for-2 split of the Common Stock will not involve the receipt of any proceeds by BHC nor will it change BHC's capital structure. BHC is proposing a 3-for-2 split to broaden its shareholder base. BHC believes the split will create a more desirable trading price range and will increase the liquidity and marketability of the stock. BHC requested this matter be approved prior to February 9, 1998.

On February 10, 1998, at a duly noticed ad hoc meeting, the Commission considered BHC's application. The Commission has jurisdiction over this matter pursuant to SDCL 49-34A-29 through 49-34A-34. The Commission finds the plan is within the corporate purposes of BHC, is compatible with the public interest, is appropriate for the proper performance by BHC as a public utility, that it will not impair BHC's ability to perform that service and that it is appropriate for such purposes. It is therefore

ORDERED, that the 3-for-2 split of the Common Stock of BHC to be effected in the form of a 1-for-2 stock dividend be and the same is hereby approved effective February 13, 1998, and it is

FURTHER ORDERED, that to give effect to the common stock split, previous orders of this Commission authorizing BHC to issue common stock under various plans are amended as follows:

Order dated July 15, 1993, issued in Docket EL93-020 is hereby amended to authorize BHC to issue three shares for every two shares of the number of authorized shares of common stock remaining to be issued under the Dividend Reinvestment Plan as of February 13, 1998, from those shares previously authorized by this Commission.

Order dated September 22, 1995, issued in Docket EL95-023 is hereby amended to authorize BHC to issue three shares for every two shares of the

number of authorized shares of common stock remaining to be issued under the Employees' Stock Purchase Plan as of February 13, 1998, from those shares previously authorized by this Commission.

Order dated October 17, 1996, issued in Docket EL96-023 is hereby amended to authorize BHC to issue three shares for every two shares of common stock remaining to be issued under the 1996 Stock Option Plan as of February 13, 1998, from those shares previously authorized by this Commission; and it is

FURTHER ORDERED, that neither the issuance of securities by BHC pursuant to the provisions of this Order nor any other act or deed done or performed in connection therewith shall be construed to obligate the state of South Dakota to guarantee the payment in any manner whatsoever of any security authorized, issued, assumed or guaranteed hereunder; nor does it constitute a representation by the state of South Dakota or its Public Utilities Commission as to the quality or safety of any securities so issued; and it is

FURTHER ORDERED, that the issuance of this Order by the Commission authorizing the issuance of securities described herein is a securities authorization only and does not constitute the Commission's determination of any utility ratemaking issues whatsoever, which issues are expressly reserved for decision until they are presented to the Commission in an appropriate proceeding; and it is

FURTHER ORDERED that the issuance of securities by BHC pursuant to this Order is not construed to mean that the Commission is in any way prohibited at some future date from finding BHC's capital structure in need of adjustment.

Dated at Pierre, South Dakota, this 13th day of February, 1998.

<p align="center">CERTIFICATE OF SERVICE</p> <p>The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, by facsimile or by first class mail, in properly addressed envelopes, with charges prepaid thereon.</p> <p>By: _____</p> <p>Date: _____</p> <p align="center">(OFFICIAL SEAL)</p>

BY ORDER OF THE COMMISSION:

JAMES A. BURG, Chairman

PAM NELSON, Commissioner

LASKA SCHOENFELDER, Commissioner